



## KENTUCKY WINE INDUSTRY POLICY STATEMENT

(Adopted September 20, 2002)

Given the importance attributed by Motto Kryla Fischer (MKF) to the role to be played by the Kentucky Grape and Wine Council, the Agricultural Development Board encourages the appointment of members to that Council by the end of October 2002.

The Board requests that the Kentucky Vineyard Society and the Kentucky Grape and Wine Council, once it has been established, take the following actions in cooperation with the University of Kentucky:

1. Within the next 45 days conduct a grape acreage audit to determine the amount of acres in production, the particular types of grapes being grown, and the overall quality of the particular plantings, to determine the amount of the grape crop at risk. Data will be gathered from existing data bases available to MKF as well as data being provided through the Value Added Cost Share Program and data provided from County Agents and vine stock suppliers. Included in the survey will be projections for amounts of grapes coming on line in 2003 and each year thereafter, as well as indications from each producer as to where they intend to sell their grapes (i.e. winery name).
2. After completing the audit, efforts will be made to match grape producers with wineries. Data gathered will be made available on a web site listing wineries and types of grapes being sought and producers with types of grapes being produced. This information will be made available initially through the Kentucky Grape and Wine Council.
3. A position of State Viticulturist should be created at the University of Kentucky. The Viticulturist will be responsible for coordinating education efforts first with Agriculture Extension Agents, then with individual producers. All data gathered by the grape audit and the producer/winery website will be maintained by the State Viticulturist and updated on an annual basis.

Recognizing that there will be costs associated with the development of these items the Board directs staff to meet with KVS and the Council to develop an application for funding to assist in the underwriting of the short-term gathering of data and a longer-term program to establish the State Viticulturist position. Agricultural Development funding would be limited to the current biennium with the understanding that funding for the Viticulturist position would be a part of the 2005-2006 budget request.

---

### **Assistance for new grape vine stock plantings:**

Because of the existing grape glut identified in the MKF study reimbursement for grape vine stock purchased after January 1, 2003 shall not be an eligible investment item in the Diversification Program. This provision will be evaluated annually based upon the recommendations of the State Viticulturist.

### **Winery Recommendations:**

1. To assist in the development of a quality wine product, a centrally located demonstration winery and demonstration vineyard should be funded as a teaching tool for both grape producers and those desiring to enter into wine production. With an enologist in residence, the demonstration winery would provide courses to winery operators that would address quality issues raised in the MKF study. Additionally an apprenticeship program would be provided for those with no prior experience in wine production. The apprenticeship program would be available at the demonstration winery and at other wineries in the state, provided those wineries met prescribed qualification requirements. The demonstration winery/vineyard should be in place by the end of calendar 2003.
  2. No Agricultural Development Funds will be used for any new wineries until such time as the applicant has been able to demonstrate minimum education/apprenticeship experiences qualifying the applicant to make wine.
  3. For existing wineries minimum standards for approval of funding will include:
    - Impact of the proposed project on Kentucky tobacco producers. Number of Kentucky producers contracted to produce grapes
    - Willingness to submit to random analysis of existing product to assure overall quality
    - Awards and recognition of existing product by outside organizations
    - Proximity to other wineries to promote the clustering necessary for tourism promotion
    - Willingness to serve as mentor to others willing to enter wine production
  4. Applicants in "dry" precincts must document how they will be selling product off site.
-